LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY**, **JANUARY 4, 2005**, upon the application of **J-W OPERATING COMPANY**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Hosston Zone**, **Reservoir A**; **the Cotton Valley Formation**, **Reservoir A**; **and the Lower Cotton Valley Zone**, **Reservoir A**, in the Elm Grove Field, Bossier and Bienville Parishes, Louisiana.

- 1. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Hosston Zone, Reservoir A; the Cotton Valley Formation, Reservoir A; and the Lower Cotton Valley Zone, Reservoir A, such units being shown on the plats submitted with the application.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed additional units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
- 3. To approve the drilling of a unit well and three (3) alternate unit wells for each of the proposed units at the locations shown on the plats submitted with the application, in exception to the well location provisions of Office of Conservation Order No. 361-A-1, effective October 1, 1972; Office of Conservation Order No. 361-B, effective October 1, 1973; and Office of Conservation Order No. 361-E, effective July 16, 1996.
- 4. To find that each of the proposed alternate unit wells is necessary to efficiently and economically drain a portion of the unit on which it is proposed to be drilled which cannot be efficiently and economically drained by any existing well on such unit.
- 5. To authorize the downhole combination of production from the Lower Cotton Valley Zone, Reservoir A; the Cotton Valley Formation, Reservoir A; and the Hosston Zone, Reservoir A; or any combination thereof, in the wellbore of any well drilled on the additional units proposed herein.
- 6. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 361-A-1, effective October 1, 1972, as amended and supplemented by the Order No. 361-A Series of Office of Conservation Orders, to the proposed additional unit for the Hosston Zone,

Reservoir A.

7. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 361-B, effective October 1, 1973, as amended and supplemented by the Order No. 361-B Series of Office of Conservation Orders, to the proposed additional unit for the Cotton Valley Formation,

Reservoir A.

- 8. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 361-E, effective July 16, 1996, as amended and supplemented by the Order No. 361-E Series of Office of Conservation Orders, to the proposed additional unit for the Lower Cotton Valley Zone, Reservoir A.
- 9. To consider such other matters as may be pertinent.

ELM GROVE FIELD 05-11 thru 05-13

The Hosston Zone, Reservoir A, is defined in Office of Conservation Order No. 361-A-1, effective October 1, 1972.

The Cotton Valley Formation, Reservoir A, is defined in Office of Conservation Order No. 361-B, effective October 1, 1973, and Office of Conservation Order No. 361-B-6, effective May 24, 1978.

The Lower Cotton Valley Zone, Reservoir A, is defined in Office of Conservation Order No. 361-E, effective July 16, 1996.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, La 11/17/04;11/22/04 S dnp

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.